

ND TEACHERS FUND FOR RETIREMENT
INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2003

	May-03				April-03				March-03				December-02				September-02				Current Fiscal YTD	Prior Year FY02	3 Years Ended 6/30/2002	5 Years Ended 6/30/2002
	Allocation		Month Net ROR	Allocation		Month Net ROR	Allocation		Quarter Net ROR	Allocation		Quarter Net ROR	Allocation		Quarter Net ROR									
	Market Value	Actual		Policy	Market Value		Actual	Policy		Market Value	Actual		Policy	Market Value		Actual	Policy	Market Value	Actual	Policy				
LARGE CAP DOMESTIC EQUITY																								
Structured Growth																								
AllianceBernstein	25,316,256	2.2%	2.3%	3.10%	24,767,980	2.3%	2.3%	7.04%	23,134,504	2.2%	2.3%	-0.19%	20,988,434	2.0%	2.3%	3.03%	20,505,017	2.0%	2.3%	-13.56%	-1.91%	-28.98%	-16.11%	N/A
Russell 1000 Growth				4.99%				7.39%				-1.07%				7.15%				-15.05%	1.53%	-26.49%	-16.15%	N/A
Structured Value																								
LSV	53,605,707	4.7%	4.5%	8.78%	49,712,788	4.5%	4.5%	7.90%	46,074,462	4.5%	4.5%	-5.87%	49,089,958	4.6%	4.5%	6.44%	46,409,231	4.6%	4.5%	-18.29%	-3.91%	2.72%	5.54%	N/A
Russell 1000 Value				6.46%				8.80%				-8.77%				9.22%				-18.77%	-2.23%	-8.96%	-4.87%	N/A
Enhanced Russell 1000 Index																								
LA Capital (Wilshire)	52,633,472	4.6%	4.5%	5.60%	49,244,204	4.5%	4.5%	7.69%	45,716,847	4.4%	4.5%	-1.88%	46,753,950	4.4%	4.5%	6.92%	44,024,480	4.4%	4.5%	-16.27%	-0.11%	-17.00%	N/A	N/A
Russell 1000				5.70%				8.07%				-2.94%				8.16%				-16.91%	-0.36%	-17.89%	N/A	N/A
Enhanced S&P 500 Index																								
Northern Trust	49,715,813	4.4%	4.5%	5.16%	47,654,607	4.4%	4.5%	8.11%	44,099,838	4.3%	4.5%	-3.17%	45,694,064	4.3%	4.5%	8.10%	42,552,156	4.2%	4.5%	-16.71%	-0.88%	-16.98%	N/A	N/A
Strong	50,858,674	4.5%	4.5%	5.28%	48,861,844	4.5%	4.5%	8.81%	45,438,197	4.4%	4.5%	-1.41%	46,239,413	4.4%	4.5%	10.08%	42,278,303	4.2%	4.5%	-16.75%	3.51%	-20.23%	N/A	N/A
Westridge	59,053,072	5.2%	4.5%	5.26%	59,281,961	5.4%	4.5%	8.26%	55,301,033	5.4%	4.5%	-3.15%	56,870,982	5.4%	4.5%	8.52%	52,967,137	5.3%	4.5%	-17.19%	-0.82%	-17.54%	N/A	N/A
Total Enhanced S&P 500 Index	159,627,559	14.0%	13.5%	5.24%	155,798,412	14.2%	13.5%	8.39%	144,839,067	14.1%	13.5%	-2.62%	148,804,459	14.1%	13.5%	8.87%	137,797,596	13.7%	13.5%	-16.88%	0.53%	-18.23%	N/A	N/A
S&P 500				5.27%				8.24%				-3.15%				8.44%				-17.28%	-1.01%	-17.98%	N/A	N/A
S&P 500 Index																								
State Street	61,521,902	5.4%	5.3%	5.27%	56,944,726	5.2%	5.3%	8.27%	52,597,361	5.1%	5.3%	-3.15%	54,491,069	5.2%	5.3%	8.45%	47,996,287	4.8%	5.3%	-17.26%	-0.95%	-17.96%	-9.14%	3.67%
S&P 500				5.27%				8.24%				-3.15%				8.44%				-17.28%	-1.01%	-17.98%	-9.18%	3.67%
TOTAL LARGE CAP DOMESTIC EQUITY	352,704,897	30.9%	30.0%	5.66%	336,468,111	30.7%	30.0%	8.09%	312,362,242	30.3%	30.0%	-2.88%	320,127,870	30.3%	30.0%	7.69%	296,732,611	29.5%	30.0%	-16.78%	-0.60%	-17.13%	-9.48%	2.68%
S&P 500				5.27%				8.24%				-3.15%				8.44%				-17.28%	-1.01%	-17.98%	-9.18%	3.67%
SMALL CAP DOMESTIC EQUITY																								
Manager-of-Managers																								
SEI	118,807,432	10.4%	10.0%	10.62%	106,663,156	9.7%	10.0%	9.39%	97,480,362	9.5%	10.0%	-4.27%	101,226,756	9.6%	10.0%	5.19%	95,770,485	9.5%	10.0%	-19.10%	-1.42%	-11.87%	N/A	N/A
Russell 2000 + 200bp				10.90%				9.65%				-4.00%				6.68%				-20.97%	-1.58%	-6.59%	N/A	N/A
TOTAL SMALL CAP DOMESTIC EQUITY	118,807,432	10.4%	10.0%	10.62%	106,663,156	9.7%	10.0%	9.39%	97,480,362	9.5%	10.0%	-4.27%	101,226,756	9.6%	10.0%	5.19%	95,770,485	9.5%	10.0%	-19.10%	-1.42%	-11.87%	1.18%	1.95%
Russell 2000				10.73%				9.48%				-4.49%				6.16%				-21.40%	-3.39%	-8.59%	1.67%	4.44%
INTERNATIONAL EQUITY																								
Large Cap - Core																								
State Street	45,485,084	4.0%	4.0%	4.99%	39,292,187	3.6%	4.0%	9.63%	35,820,221	3.5%	4.0%	-8.71%	39,253,302	3.7%	4.0%	4.11%	34,143,227	3.4%	4.0%	-19.99%	-12.48%	-11.74%	-6.76%	-2.26%
MSCI EAFE - 50% Hedged				4.41%				9.18%				-9.03%				4.04%				-20.02%	-13.71%	-14.62%	-5.75%	0.27%
Large Cap - Active																								
Capital Guardian	108,970,435	9.5%	10.0%	4.03%	98,719,353	9.0%	10.0%	9.66%	90,458,344	8.8%	10.0%	-10.07%	100,621,236	9.5%	10.0%	7.35%	89,027,456	8.8%	10.0%	-21.50%	-13.53%	-13.17%	-1.00%	5.76%
Bank of Ireland	22,077,541	1.9%	2.0%	5.88%	20,471,243	1.9%	2.0%	11.86%	18,286,883	1.8%	2.0%	-10.88%	20,528,497	1.9%	2.0%	7.13%	19,262,251	1.9%	2.0%	-21.60%	-11.35%	N/A	N/A	N/A
Total Large Cap - Active	131,047,976	11.5%	12.0%	4.35%	119,190,596	10.9%	12.0%	10.03%	108,745,227	10.6%	12.0%	-10.21%	121,149,733	11.5%	12.0%	7.31%	108,289,707	10.8%	12.0%	-21.51%	-13.17%	-12.19%	-0.63%	6.00%
MSCI EAFE - 50% Hedged				4.41%				9.18%				-9.03%				4.04%				-20.02%	-13.71%	-14.62%	-5.75%	0.27%
Small Cap - Active																								
Lazard	24,285,786	2.1%	2.0%	9.22%	22,544,645	2.1%	2.0%	9.23%	20,629,481	2.0%	2.0%	-6.21%	22,000,933	2.1%	2.0%	3.95%	21,591,198	2.1%	2.0%	-17.39%	-3.92%	N/A	N/A	N/A
Wellington	25,442,623	2.2%	2.0%	8.52%	23,833,075	2.2%	2.0%	11.92%	21,280,731	2.1%	2.0%	-3.06%	21,961,971	2.1%	2.0%	7.10%	20,707,908	2.1%	2.0%	-17.35%	4.24%	N/A	N/A	N/A
Total Small Cap - Active	49,728,409	4.4%	4.0%	8.86%	46,377,720	4.2%	4.0%	10.60%	41,910,212	4.1%	4.0%	-4.64%	43,962,904	4.2%	4.0%	5.49%	42,299,106	4.2%	4.0%	-17.37%	0.09%	N/A	N/A	N/A
SSB BROAD MARKET INDEX < \$2BN				8.40%				8.30%				-2.09%				1.85%				-15.30%	-0.85%	N/A	N/A	N/A
TOTAL INTERNATIONAL EQUITY	226,261,469	19.8%	20.0%	5.49%	204,860,503	18.7%	20.0%	10.08%	186,475,660	18.1%	20.0%	-8.72%	204,365,939	19.3%	20.0%	6.24%	184,732,040	18.4%	20.0%	-20.31%	-10.26%	-10.49%	-2.94%	2.40%
MSCI EAFE - 50% Hedged				4.41%				9.18%				-9.03%				4.04%				-20.02%	-13.71%	-14.62%	-5.75%	0.27%
EMERGING MARKETS EQUITY																								
Capital Guardian	59,030,344	5.2%	5.0%	6.59%	55,407,414	5.1%	5.0%	9.46%	50,616,695	4.9%	5.0%	-6.12%	53,915,223	5.1%	5.0%	11.72%	48,261,472	4.8%	5.0%	-16.68%	1.96%	-5.69%	-5.69%	-6.04%
MSCI Emerging Markets Free				7.18%				8.91%				-5.87%				10.04%				-16.30%	1.19%	1.30%	-6.34%	-8.42%
DOMESTIC FIXED INCOME																								
Core Bond																								
Western Asset	8,598,216	0.8%	0.9%	2.33%	10,412,229	1.0%	1.1%	1.81%	10,220,354	1.0%	1.1%	3.03%	10,221,994	1.0%	1.1%	2.49%	11,090,622	1.1%	1.1%	3.66%	14.03%	8.87%	8.93%	8.26%
Lehman Aggregate				1.86%				0.83%				1.39%				1.57%				4.58%	10.61%	8.62%	8.10%	7.57%
Active Duration																								
WestAM (Criterion)	8,505,165	0.7%	0.9%	2.16%	10,174,042	0.9%	1.1%	0.91%	10,072,576	1.0%	1.1%	1.46%	10,194,930	1.0%	1.1%	2.69%	10,931,445	1.1%	1.1%	2.57%	10.18%	6.00%	7.60%	7.09%
Lehman Aaoreate				1.86%				0.83%				1.39%				1.57%				4.58%	10.61%	8.62%	8.10%	7.57%

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	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Month Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Market Value	Allocation Actual	Policy	Quarter Net ROR	Net ROR	Net ROR	Net	Net
Index																								
Bank of ND	12,639,461	1.1%	0.9%	2.83%	11,966,031	1.1%	0.9%	0.79%	11,855,529	1.2%	0.9%	1.55%	12,181,504	1.2%	0.8%	1.40%	13,187,654	1.3%	0.8%	5.96%	13.07%	9.56%	8.03%	7.55%
Bank of ND Match Loan CD Program	9,207,947	0.8%	0.8%	0.48%	9,164,225	0.8%	0.8%	0.46%	9,121,913	0.9%	0.9%	1.41%	9,591,548	0.9%	0.9%	1.43%	9,572,281	1.0%	1.0%	1.44%	5.33%	5.79%	5.86%	5.90%
Total Index	21,847,408	1.9%	1.8%	2.20%	21,130,256	1.9%	1.8%	0.70%	20,977,442	2.0%	1.8%	1.51%	21,773,052	2.1%	1.8%	1.38%	22,759,935	2.3%	1.8%	4.78%	10.98%	9.68%	7.81%	7.47%
Lehman Gov/Credit				2.84%				1.07%				1.65%				1.73%				5.70%	13.60%	8.24%	7.85%	7.47%
Convertibles																								
TCW	9,284,306	0.8%	0.9%	4.88%	10,316,933	0.9%	1.1%	6.15%	9,729,999	0.9%	1.1%	1.01%	10,316,074	1.0%	1.1%	8.32%	9,817,880	1.0%	1.1%	-9.90%	9.76%	-21.20%	-2.06%	N/A
First Boston Convertible Index				4.44%				5.25%				3.82%				9.83%				-8.56%	14.61%	-12.44%	0.11%	N/A
BBB Average Quality																								
Strong	8,848,492	0.8%	0.9%	3.74%	10,739,975	1.0%	1.1%	2.60%	10,452,766	1.0%	1.1%	3.27%	10,387,053	1.0%	1.1%	4.11%	10,832,203	1.1%	1.1%	0.39%	14.88%	3.16%	6.83%	N/A
Lehman BBB				3.72%				2.77%				3.40%				4.59%				2.70%	18.39%	5.85%	4.75%	N/A
Timberland																								
Evergreen (Wachovia)	17,829,859	1.6%	1.6%	-0.07%	10,186,411	0.9%	0.9%	6.83%	9,514,905	0.9%	0.9%	6.22%	9,179,043	0.9%	0.9%	3.15%	7,873,179	0.8%	0.8%	-0.22%	16.70%	N/A	N/A	N/A
TOTAL DOMESTIC FIXED INCOME	74,913,447	6.6%	7.0%	2.52%	72,959,846	6.7%	7.0%	2.89%	70,968,042	6.9%	7.0%	2.57%	72,072,147	6.8%	7.0%	3.36%	73,305,265	7.3%	7.0%	0.71%	12.63%	2.56%	6.70%	6.56%
Lehman Aggregate				1.86%				0.83%				1.39%				1.57%				4.58%	10.61%	8.62%	8.10%	7.57%
HIGH YIELD BONDS																								
Western Asset	76,552,240	6.7%	7.0%	0.25%	83,346,543	7.6%	7.0%	5.23%	79,204,078	7.7%	7.0%	6.29%	78,455,727	7.4%	7.0%	7.64%	80,966,050	8.0%	7.0%	-3.24%	16.78%	-6.08%	-3.89%	4.16%
Lehman High Yield Bond Index				1.03%				5.93%				7.61%				6.74%				-2.93%	19.33%	-3.60%	-2.31%	0.68%
INTERNATIONAL FIXED INCOME																								
International Core																								
UBS Global (Brinson)	27,747,522	2.4%	2.5%	4.83%	58,073,619	5.3%	5.0%	1.50%	57,197,696	5.5%	5.0%	4.00%	54,996,136	5.2%	5.0%	6.06%	58,388,782	5.8%	5.0%	2.39%	20.17%	16.83%	2.39%	2.43%
Salomon Brothers Non-US Gov't Bond Index				4.73%				1.41%				3.73%				6.06%				2.84%	20.17%	15.72%	3.14%	3.03%
Brandywine	26,225,638	2.3%	2.5%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lehman Global Aggregate (ex-US)				N/A				N/A				N/A				N/A				N/A	N/A	N/A	N/A	N/A
TOTAL INTERNATIONAL FIXED INCOME	53,973,160	4.7%	5.0%	3.26%	58,073,619	5.3%	5.0%	1.50%	57,197,696	5.5%	5.0%	4.00%	54,996,136	5.2%	5.0%	6.06%	58,388,782	5.8%	5.0%	2.39%	18.37%	16.83%	2.39%	2.43%
Salomon Brothers Non-US Gov't Bond Index				4.73%				1.41%				3.73%				6.06%				2.84%	20.17%	15.72%	3.14%	3.03%
REAL ESTATE																								
JMB	36,261			0.00%	36,261			0.00%	36,416			-21.97%	62,368			-1.27%	1,034,424			1.94%	-21.47%	0.92%	1.25%	7.60%
INVESCO	60,821,238			0.22%	60,688,687			0.23%	60,550,555			1.79%	60,467,094			-0.41%	61,479,744			3.78%	5.68%	2.61%	7.70%	N/A
J.P. Morgan	47,687,686			0.72%	47,347,268			0.96%	46,895,463			1.31%	46,287,042			1.90%	45,423,753			1.64%	6.71%	4.10%	9.60%	11.72%
TOTAL REAL ESTATE	108,545,186	9.5%	9.0%	0.46%	108,072,217	9.9%	9.0%	0.58%	107,482,433	10.4%	9.0%	1.56%	106,816,504	10.1%	9.0%	0.65%	107,937,921	10.7%	9.0%	2.78%	6.15%	3.35%	8.64%	9.66%
NCREIF TOTAL INDEX				0.62%				0.62%				1.88%				1.67%				1.79%	6.75%	6.79%	9.41%	11.96%
ALTERNATIVE INVESTMENTS																								
Brinson IVCF III	1,401,319			0.00%	1,401,319			0.00%	1,401,319			-7.08%	1,508,090			-16.43%	1,804,611			7.46%	-16.55%	61.30%	112.32%	65.03%
Coral Partners V	10,918,324			0.00%	10,968,448			0.00%	10,821,930			0.57%	10,761,099			-7.89%	10,994,013			-17.47%	-23.55%	-46.32%	-3.46%	N/A
Coral Partners V - Supplemental	627,230			0.00%	630,110			0.00%	663,143			-0.31%	665,192			-11.88%	767,748			-14.17%	-24.60%	N/A	N/A	N/A
Coral Partners VI	1,235,002			0.00%	1,240,672			0.00%	692,239			-11.41%	781,393			-21.31%	635,965			N/A	N/A	N/A	N/A	N/A
Brinson 1998 Partnership Fund	1,799,001			0.00%	1,939,101			0.00%	1,939,120			-1.30%	1,964,632			-7.89%	2,244,859			-3.97%	-12.70%	-15.23%	8.66%	N/A
Brinson 1999 Partnership Fund	2,294,141			0.00%	2,304,673			0.00%	2,304,695			-5.12%	2,493,336			-6.50%	2,536,763			-4.67%	-15.43%	-21.70%	-0.85%	N/A
Brinson 2000 Partnership Fund	3,752,615			0.00%	3,453,243			0.00%	3,453,276			-4.65%	3,621,669			-1.66%	3,318,861			-6.93%	-12.73%	-14.95%	N/A	N/A
Brinson 2001 Partnership Fund	988,051			0.00%	992,587			0.00%	992,597			-3.01%	1,023,467			-1.33%	1,064,380			-1.08%	-5.33%	-6.22%	N/A	N/A
Brinson 2002 Partnership Fund	732,157			0.00%	735,518			0.00%	735,525			7.17%	686,322			-2.74%	717,702			0.15%	4.39%	N/A	N/A	N/A
Brinson 2003 Partnership Fund	86,191			N/A	86,587			N/A	-			N/A	-			N/A	-		N/A	N/A	N/A	N/A	N/A	N/A
Brinson 1999 Non-US Partnership Fund	1,225,396			0.00%	1,231,022			0.00%	1,231,034			2.03%	1,237,412			-2.36%	1,192,303			12.07%	11.65%	-7.68%	-3.51%	N/A
Brinson 2000 Non-US Partnership Fund	1,209,778			0.00%	1,090,957			0.00%	1,090,967			4.28%	1,046,248			-0.81%	948,421			7.00%	10.68%	-6.51%	N/A	N/A
Brinson 2001 Non-US Partnership Fund	785,051			0.00%	606,519			0.00%	606,525			2.11%	451,303			-1.54%	466,207			-1.47%	-0.94%	-4.85%	N/A	N/A
Brinson 2002 Non-US Partnership Fund	975,996			0.00%	980,477			0.00%	980,487			5.36%	930,626			-0.33%	364,209			N/A	N/A	N/A	N/A	N/A
Brinson 2003 Non-US Partnership Fund	75,954			N/A	76,303			N/A	-			N/A	-			N/A	-		N/A	N/A	N/A	N/A	N/A	N/A
Brinson BVCF IV	6,189,885			0.00%	6,897,306			0.00%	6,897,372			7.35%	6,425,520			-9.29%	7,204,393			-2.76%	-5.31%	-29.16%	-17.06%	N/A
Matlin Patterson Global Opportunities	11,334,378			0.00%	11,386,413			0.00%	11,166,643			-3.52%	10,629,900			0.00%	9,539,477			N/A	N/A	N/A	N/A	N/A
InvestAmerica	878,440			0.00%	882,473			0.00%	882,482			0.00%	882,502			3.02%	953,948			31.25%	35.21%	N/A	N/A	N/A
Hearthstone	3,971,894			0.00%	3,990,277			0.00%	4,756,928			0.00%	4,219,682			3.48%	4,972,366			11.34%	15.21%	4.99%	N/A	N/A
TOTAL ALTERNATIVE INVESTMENTS	50,480,807	4.4%	5.0%	0.00%	50,894,006	4.7%	5.0%	0.00%	50,616,281	4.9%	5.0%	-0.50%	49,328,393	4.7%	5.0%	-3.56%	49,726,227	4.9%	5.0%	-6.36%	-10.14%	-26.09%	10.16%	10.85%
Post Venture Capital Index				16.43%				12.92%				-0.52%				15.43%				-22.64%	16.78%	-44.30%	-26.03%	-6.83%
CASH EQUIVALENTS																								
Northern Trust STIF/STEP	20,486,790	1.8%	2.0%	0.12%	17,715,467	1.6%	2.0%	0.18%	18,320,773	1.8%	2.0%	0.40%	16,432,298	1.6%	2.0%	0.42%	10,493,259	1.0%	2.0%	0.68%	1.81%	2.29%	4.72%	5.01%
90 Day T-Bill				0.10%				0.09%				0.30%				0.43%				0.45%	1.38%	2.63%	4.67%	4.84%
TOTAL FUND	1,141,755,771	100.00%	100.00%	4.54%	1,094,460,883	100.00%	100.00%	6.38%	1,030,724,262	100.00%	100.00%	-2.27%	1,057,736,993	100.00%	100.00%	5.35%	1,006,314,110	100.00%	100.00%	-11.98%	0.78%	-8.88%	-1.83%	3.68%
POLICY TARGET BENCHMARK				5.21%				6.95%				-2.59%				6.44%				-13.10%	1.39%	-9.26%	-3.00%	3.29%

NOTE: Monthly returns and market values are preliminary and subject to change.